

UNITED STATES BANKRUPTCY COURT
IN THE DISTRICT OF DELEWARE

In Re. IRONNET, INC.

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§
§Case No. 23-11710Debtor(s)Lead Case No. 23-11710☒ Jointly Administered**Monthly Operating Report**

Chapter 11

Reporting Period Ended: 10/31/2023Petition Date: 10/12/2023Months Pending: 1Industry Classification:

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Reporting Method:

Accrual Basis ☒Cash Basis ☐

Debtor's Full-Time Employees (current):

0

Debtor's Full-Time Employees (as of date of order for relief):

0**Supporting Documentation** (check all that are attached):

(For jointly administered debtors, any required schedules must be provided on a non-consolidated basis for each debtor)

- ☒ Statement of cash receipts and disbursements
- ☒ Balance sheet containing the summary and detail of the assets, liabilities and equity (net worth) or deficit
- ☒ Statement of operations (profit or loss statement)
- ☐ Accounts receivable aging
- ☐ Postpetition liabilities aging
- ☐ Statement of capital assets
- ☐ Schedule of payments to professionals
- ☐ Schedule of payments to insiders
- ☐ All bank statements and bank reconciliations for the reporting period
- ☐ Description of the assets sold or transferred and the terms of the sale or transfer

/s/ Timothy R. Powell

Signature of Responsible Party

12/08/2023

Date

Timothy R. Powell, Young Conaway Stargatt & Taylor, L

Printed Name of Responsible Party

1000 N. King Street, Wilmington, DE 19801

Address

STATEMENT: This Periodic Report is associated with an open bankruptcy case; therefore, Paperwork Reduction Act exemption 5 C.F.R. § 1320.4(a)(2) applies.

Debtor's Name IRONNET, INC.

Case No. 23-11710

Part 1: Cash Receipts and Disbursements	Current Month	Cumulative
a. Cash balance beginning of month	\$0	
b. Total receipts (net of transfers between accounts)	\$0	\$0
c. Total disbursements (net of transfers between accounts)	\$0	\$0
d. Cash balance end of month (a+b-c)	\$0	
e. Disbursements made by third party for the benefit of the estate	\$0	\$0
f. Total disbursements for quarterly fee calculation (c+e)	\$0	\$0

Part 2: Asset and Liability Status (Not generally applicable to Individual Debtors. See Instructions.)	Current Month
a. Accounts receivable (total net of allowance)	\$0
b. Accounts receivable over 90 days outstanding (net of allowance)	\$0
c. Inventory (Book <input type="radio"/> Market <input type="radio"/> Other <input checked="" type="radio"/> (attach explanation))	\$0
d. Total current assets	\$294,494,917
e. Total assets	\$485,204,256
f. Postpetition payables (excluding taxes)	\$0
g. Postpetition payables past due (excluding taxes)	\$0
h. Postpetition taxes payable	\$0
i. Postpetition taxes past due	\$0
j. Total postpetition debt (f+h)	\$0
k. Prepetition secured debt	\$0
l. Prepetition priority debt	\$29,891
m. Prepetition unsecured debt	\$764,371
n. Total liabilities (debt) (j+k+l+m)	\$794,262
o. Ending equity/net worth (e-n)	\$484,409,994

Part 3: Assets Sold or Transferred	Current Month	Cumulative
a. Total cash sales price for assets sold/transferred outside the ordinary course of business	\$0	\$0
b. Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business	\$0	\$0
c. Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b)	\$0	\$0

Part 4: Income Statement (Statement of Operations) (Not generally applicable to Individual Debtors. See Instructions.)	Current Month	Cumulative
a. Gross income/sales (net of returns and allowances)	\$0	
b. Cost of goods sold (inclusive of depreciation, if applicable)	\$0	
c. Gross profit (a-b)	\$0	
d. Selling expenses	\$0	
e. General and administrative expenses	\$11,858	
f. Other expenses	\$0	
g. Depreciation and/or amortization (not included in 4b)	\$0	
h. Interest	\$0	
i. Taxes (local, state, and federal)	\$0	
j. Reorganization items	\$0	
k. Profit (loss)	\$-11,858	\$-11,858

Debtor's Name IRONNET, INC.

Case No. 23-11710

Part 5: Professional Fees and Expenses

			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative	
a.	Debtor's professional fees & expenses (bankruptcy) <i>Aggregate Total</i>						
	<i>Itemized Breakdown by Firm</i>						
		Firm Name	Role				
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Debtor's Name IRONNET, INC.

Case No. 23-11710

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b.			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
	Debtor's professional fees & expenses (nonbankruptcy) <i>Aggregate Total</i>					
	<i>Itemized Breakdown by Firm</i>					
	Firm Name	Role				
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Debtor's Name IRONNET, INC.

Case No. 23-11710

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Debtor's Name IRONNET, INC.

Case No. 23-11710

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Debtor's Name IRONNET, INC.

Case No. 23-11710

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	c						
c.	All professional fees and expenses (debtor & committees)						

Part 6: Postpetition Taxes**Current Month****Cumulative**

a.	Postpetition income taxes accrued (local, state, and federal)	\$0	\$0
b.	Postpetition income taxes paid (local, state, and federal)	\$0	\$0
c.	Postpetition employer payroll taxes accrued	\$0	\$0
d.	Postpetition employer payroll taxes paid	\$0	\$0
e.	Postpetition property taxes paid	\$0	\$0
f.	Postpetition other taxes accrued (local, state, and federal)	\$0	\$0
g.	Postpetition other taxes paid (local, state, and federal)	\$0	\$0

Part 7: Questionnaire - During this reporting period:

- a. Were any payments made on prepetition debt? (if yes, see Instructions) Yes ☐ No ☒
- b. Were any payments made outside the ordinary course of business without court approval? (if yes, see Instructions) Yes ☐ No ☒
- c. Were any payments made to or on behalf of insiders? Yes ☐ No ☒
- d. Are you current on postpetition tax return filings? Yes ☒ No ☐
- e. Are you current on postpetition estimated tax payments? Yes ☒ No ☐
- f. Were all trust fund taxes remitted on a current basis? Yes ☒ No ☐
- g. Was there any postpetition borrowing, other than trade credit? (if yes, see Instructions) Yes ☒ No ☐
- h. Were all payments made to or on behalf of professionals approved by the court? Yes ☐ No ☐ N/A ☒
- i. Do you have:
- Worker's compensation insurance? Yes ☒ No ☐
- If yes, are your premiums current? Yes ☒ No ☐ N/A ☐ (if no, see Instructions)
- Casualty/property insurance? Yes ☒ No ☐
- If yes, are your premiums current? Yes ☒ No ☐ N/A ☐ (if no, see Instructions)
- General liability insurance? Yes ☒ No ☐
- If yes, are your premiums current? Yes ☒ No ☐ N/A ☐ (if no, see Instructions)
- j. Has a plan of reorganization been filed with the court? Yes ☒ No ☐
- k. Has a disclosure statement been filed with the court? Yes ☒ No ☐
- l. Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930? Yes ☒ No ☐

Debtor's Name IRONNET, INC.

Case No. 23-11710

Part 8: Individual Chapter 11 Debtors (Only)

- | | | |
|--|-------|-----|
| a. Gross income (receipts) from salary and wages | _____ | \$0 |
| b. Gross income (receipts) from self-employment | _____ | \$0 |
| c. Gross income from all other sources | _____ | \$0 |
| d. Total income in the reporting period (a+b+c) | _____ | \$0 |
| e. Payroll deductions | _____ | \$0 |
| f. Self-employment related expenses | _____ | \$0 |
| g. Living expenses | _____ | \$0 |
| h. All other expenses | _____ | \$0 |
| i. Total expenses in the reporting period (e+f+g+h) | _____ | \$0 |
| j. Difference between total income and total expenses (d-i) | _____ | \$0 |
| k. List the total amount of all postpetition debts that are past due | _____ | \$0 |
- l. Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)? Yes ☐ No ☒
- m. If yes, have you made all Domestic Support Obligation payments? Yes ☐ No ☐ N/A ☒

Privacy Act Statement

28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information is needed to perform the trustee's or examiner's duties or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." See 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http://www.justice.gov/ust/eo/rules_regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.

/s/ Cameron Pforr

Signature of Responsible Party

President and Chief Financial Officer

Title

Cameron Pforr

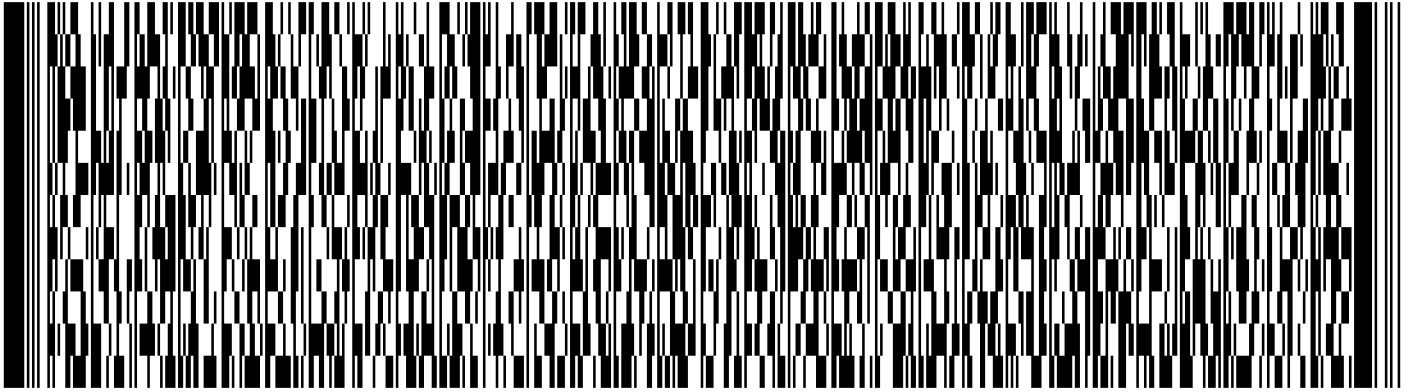
Printed Name of Responsible Party

12/08/2023

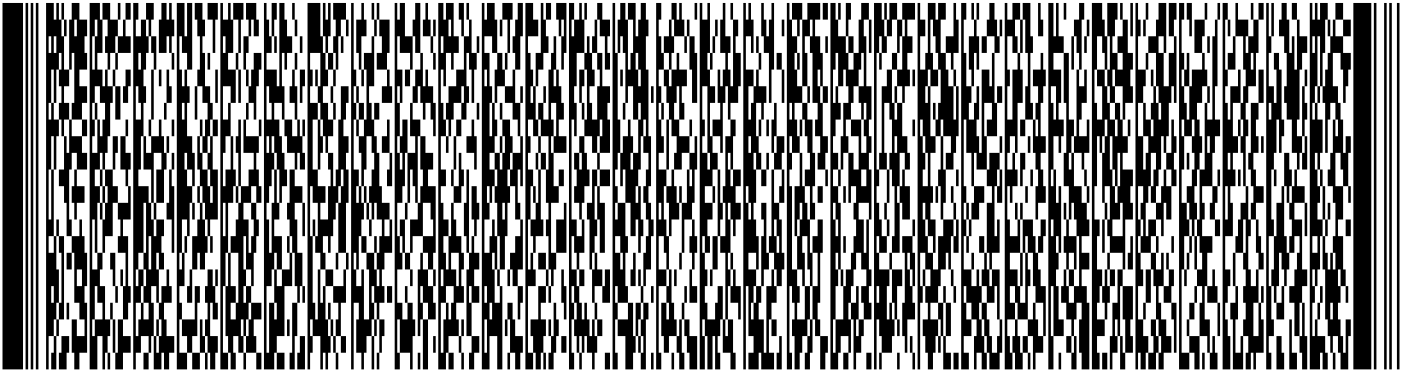
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Debtor's Name IRONNET, INC.

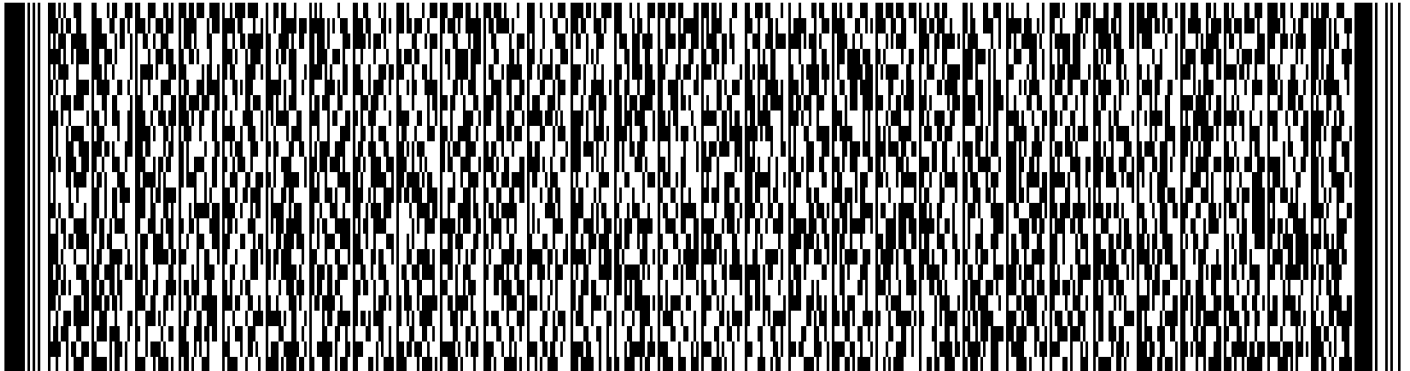
Case No. 23-11710



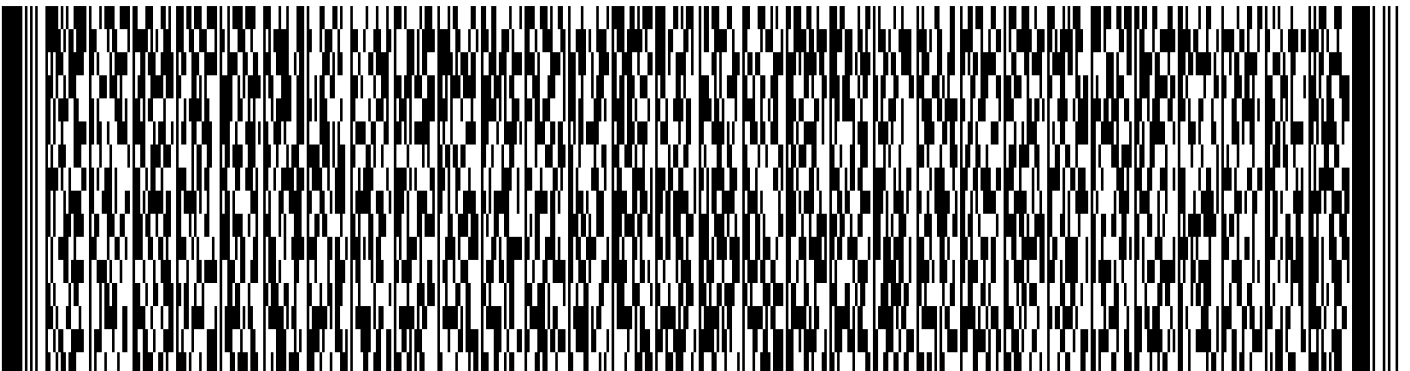
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Debtor's Name IRONNET, INC.

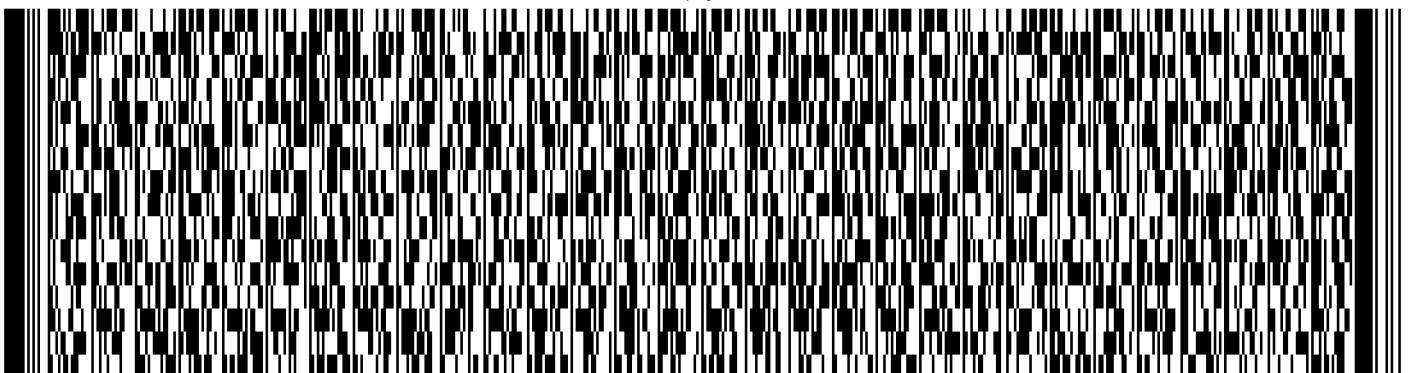
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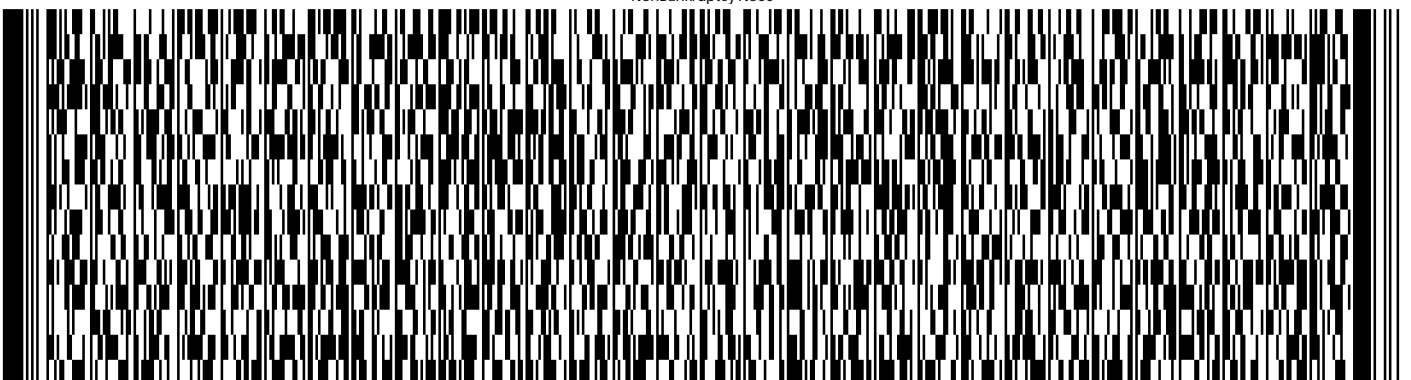
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Bankruptcy51to100



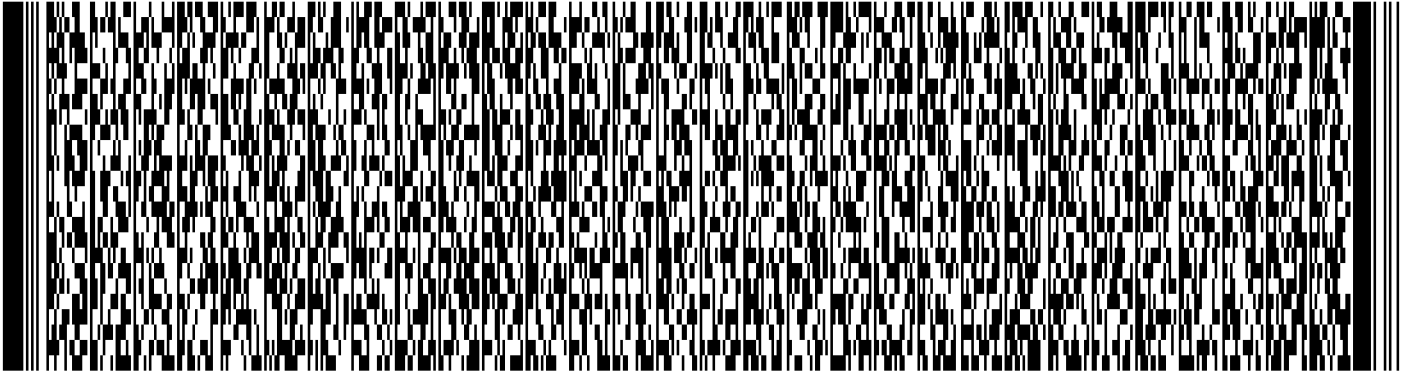
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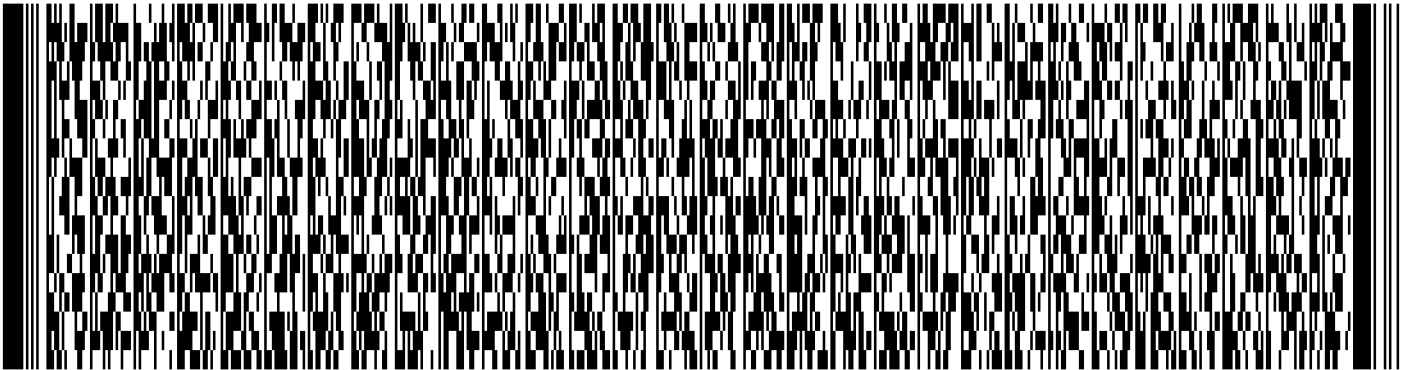
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Debtor's Name IRONNET, INC.

Case No. 23-11710



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**UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

INITIAL MONTHLY OPERATING REPORT

IN RE: IRONNET, INC. (23-11710)

**Other Cases being jointly administered:
IRONNET CYBERSECURITY, INC. (23-11711)
IRONNET INTERNATIONAL, LLC (23-11712)
IRONCAD, LLC (23-11713)
HIGHDEGREE, LLC (23-11714)**

Reporting Period:
October 13, 2023 - October 31, 2023

RIVERON

Prepared by: Riveron Consulting, LLC

FORM-11 MOR
SUPPORTING DOCUMENTS

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

INITIAL MONTHLY OPERATING REPORT

IN RE: IRONNET, INC. (23-11710)

Other Cases being jointly administered:
IRONNET CYBERSECURITY, INC. (23-11711)
IRONNET INTERNATIONAL, LLC (23-11712)
IRONCAD, LLC (23-11713)
HIGHDEGREE, LLC (23-11714)

Reporting Period:
October 13, 2023 - October 31, 2023

In re IronNet, Inc. (Debtor)

Case No. 23-11710

Other Cases being jointly administered: IronNet Cybersecurity, Inc. (23-11711), IronNet International, LLC (23-11712), IronCAD, LLC (23-11713), HighDegree, LLC (23-11714)

Reporting Period: October 13, 2023 - October 31, 2023



NOTES TO THE MONTHLY OPERATING REPORT AND GLOBAL DISCLAIMER

1) Introduction

On October 12, 2023 (the "**Petition Date**"), IronNet, Inc. and its affiliated debtors (collectively, the "**Debtors**") filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code (the "**Bankruptcy Code**") in the United States Bankruptcy Court for the District of Delaware (the "**Bankruptcy Court**"), thereby commencing the chapter 11 cases jointly administered as In re: IronNet, Inc., et al., No 23-11710 (the "**Chapter 11 Cases**"). The Debtors are operating their businesses and managing their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. As of October 31, 2023, a committee of unsecured creditors has not been appointed by the United States Trustee. Information contained herein may differ from the Debtors' Bankruptcy Court filings on the Petition Date due to more accurate information becoming available.

2) Basis of Presentation

The Debtors are filing their consolidated monthly operating report (the "MOR") solely for purposes of complying with the monthly operating requirements applicable in the Debtors' Chapter 11 Cases. The MOR is in a format acceptable to the U.S. Trustee. The MOR should not be relied upon by any persons for information relating to current or future financial condition, events, or performance of any of the Debtors or their affiliates, as the results of operations contained herein are not necessarily indicative of results which may be expected from any other period or for the full year, and may not necessarily reflect the combined results of operations, financial position, and schedule of receipts and disbursements in the future.

This MOR is unaudited and has not been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") and does not include all of the information and footnotes required by U.S. GAAP. The MOR is not intended to reconcile to any financial statements otherwise prepared or distributed by the Debtors.

The financial information contained herein is presented per IronNet's books and records without, among other things, all adjustments or reclassification that may be necessary or typical with respect to consolidating financial statements or in accordance with U.S. GAAP. Because the Debtors' accounting systems, policies, and practices were developed to produce consolidated financial statements by business unit, rather than financial statements by legal entity, it is possible that not all assets, liabilities, income or expenses have been recorded on the correct legal entity.

3) Reporting Period

Unless otherwise noted herein, the MOR generally reflects the Debtors' books and records and financial activity occurring during the applicable reporting period. Except as otherwise noted, no adjustments have been made for activity occurring after the close of the reporting period.

4) Intercompany Receivables/ Payables

As described more fully in the INTERIM AND FINAL ORDERS (A) AUTHORIZING AND APPROVING CONTINUED USE OF CASH MANAGEMENT SYSTEM, (B) AUTHORIZING USE OF PREPETITION BANK ACCOUNTS AND BUSINESS FORMS, (C) AUTHORIZING PERFORMANCE OF INTERCOMPANY TRANSACTIONS IN THE ORDINARY COURSE OF BUSINESS AND GRANTING ADMINISTRATIVE EXPENSE STATUS FOR POSTPETITION INTERCOMPANY CLAIMS, (D) WAIVING STRICT COMPLIANCE WITH SECTION 345(b) OF THE BANKRUPTCY CODE AND CERTAIN OPERATING GUIDELINES, AS APPLICABLE, (E) AUTHORIZING CONTINUANCE OF CORPORATE CREDIT CARD PROGRAM, AND (F) GRANTING CERTAIN RELATED RELIEF, Debtors are authorized to maintain intercompany ("I/C") receivables/payables with certain subsidiaries. Certain Debtors record I/C receivables for payments made on behalf of other subsidiaries, who in turn record corresponding I/C payables. The Debtors have made reasonable efforts to identify and highlight I/C activity and balances include all intercompany transactions recorded since inception and are presented on a gross basis. The accounts are subject to change in future periods.

In re IronNet, Inc. (Debtor)

Case No. 23-11710

Other Cases being jointly administered: IronNet Cybersecurity, Inc. (23-11711), IronNet International, LLC (23-11712), IronCAD, LLC (23-11713), HighDegree, LLC (23-11714)

Reporting Period: October 13, 2023 - October 31, 2023



NOTES TO THE MONTHLY OPERATING REPORT AND GLOBAL DISCLAIMER

5) **Debtor in Possession Financing**

On October 16, 2023, the Debtors received authorization from the Bankruptcy Court to access up to \$10 million of a superpriority senior secured multi-draw credit loan facility pursuant to the INTERIM ORDER (A) AUTHORIZING THE DEBTORS TO (I) OBTAIN POSTPETITION FINANCING AND (II) USE CASH COLLATERAL, (B) GRANTING LIENS AND PROVIDING SUPERPRIORITY ADMINISTRATIVE EXPENSE CLAIMS, (C) GRANTING ADEQUATE PROTECTION TO PREPETITION SECURED PARTIES, (D) MODIFYING THE AUTOMATIC STAY, (E) SCHEDULING A FINAL HEARING, AND (F) GRANTING RELATED RELIEF. Please see the DIP Order for additional detail.

6) **Payment of Prepetition Claims Pursuant to First Day Orders**

Generally, upon the commencement of the Chapter 11 Cases, actions to enforce or otherwise effect payment of pre-petition liabilities against the Debtors are stayed. However, the Bankruptcy Court has authorized, but not directed, the Debtors to pay certain pre-petition claims subject to certain terms and conditions. To the extent any payments were made on account of prepetition claims following the commencement of these Chapter 11 Cases pursuant to the authority granted to the Debtors by the Bankruptcy Court under the First Day Orders, such payments have been included in the MOR.

Post-Petition Liabilities

To the extent claims have been categorized as "Post-petition Liabilities" herein, the Debtors reserve the right to dispute such liabilities and their obligation to make such payments for reasons that include, but are not limited to, the Debtors arguing that the asserted liability is not entitled to administrative priority under the Bankruptcy Code.

The Debtors' allocation of liabilities between the pre-petition and post-petition periods may change as additional information becomes available. Accordingly, the Debtors reserve all rights to amend, supplement, or otherwise modify this MOR as necessary and appropriate.

7) **Specific MOR Disclosures**

Notes to Part 1:

- In accordance with the UST Form 11-MOR Instructions, Part 1 omits intercompany cash activity, resulting in small variances between the end of month cash balance within Part 1 and cash and cash equivalents per the *Balance Sheet* attachment. These variances are reconciled within the *Schedule of Cash Receipts and Disbursements* attachment.

Notes to Part 2:

- See "*Basis of Presentation*" above regarding certain adjustments or reclassifications applied at a consolidated level.
- Prepetition and post-petition balances of uncompromised liabilities are an estimate given that the Debtors do not have processes in place to close their books and records during the middle of the month.
- Historically, for internal reporting purposes, IronNet Cybersecurity, Inc has functioned as the Debtors' main operating entity. As a result, **certain IronNet, Inc secured and non-priority unsecured claims listed on Schedules D & F are reported on IronNet Cybersecurity, Inc.'s balance sheet.** This includes: (i) \$26.78M of secured debt (including the \$1.50M of codebtor secured claims), (ii) \$7.90M of 3i convertible debt and accrued interest, (iii) \$0.51M of notes payable to Donald Dixon, (iv) \$0.52M of notes payable to Korr Acquisitions Group, and (v) \$0.10M of notes payable to Franz Bernhard Humer.
- "**Attachment 3: Balance Sheet**" lists a "*Liabilities Subject to Compromise*" line item. This account is comprised of contingent prepetition liability accounts initially excluded from Schedules D, E & F, including but not limited to: (i) Restricted Stock Options ("RSU's"), (ii) payroll clearing accounts, (iii) outdated tax estimates expected to be written off in future periods, (iv) fair value of conversion options on convertible debt, (v) amortized debt issuance costs, (vi) an operating lease for Tyson's Office (subject to rejection), and (vii) financing lease estimates (subject to rejection).

In re IronNet, Inc. (Debtor)

Case No. 23-11710

Other Cases being jointly administered: IronNet Cybersecurity, Inc. (23-11711), IronNet International, LLC (23-11712), IronCAD, LLC (23-11713), HighDegree, LLC (23-11714)

Reporting Period: October 13, 2023 - October 31, 2023



NOTES TO THE MONTHLY OPERATING REPORT AND GLOBAL DISCLAIMER

IronNet Cybersecurity, Inc.

- *Line item "k. Prepetition secured debt"* : Comprised of \$26.78M of secured debt listed on IronNet, Inc's Schedule D and \$0.21M of additional interest accrued since the petition date.

- *Line item "m. Prepetition unsecured debt"* : Comprised of unsecured claims disclosed on Schedule F, adjusted for: (i) \$14,701 of net accounts payable initially omitted from the filed schedules, (ii) a -\$12,255 credit memo received from Concur for pre-petition services, (iii) \$0.25M of payments made on prepetition obligations incurred in the ordinary course of business pursuant to the relief granted via the Debtors' various first day orders, (iv) a \$51,127 credit card payment as allowed by court motions, (v) \$70,918 of additional accrued interest since the petition date, (vi) a \$0.72M recognition of unearned revenue for services provided since the petition date, and (vii) a \$25,626 balance sheet accounting adjustment to the value of the convertible debt since the petition date.

IronNet Cybersecurity, Inc.

- *Line item "k. Prepetition secured debt"* : Comprised of \$26.78M of secured debt listed on IronNet, Inc's Schedule D and \$0.21M of additional interest accrued since the petition date.

- *Line item "m. Prepetition unsecured debt"* : Comprised of unsecured claims disclosed on Schedule F, adjusted for: (i) \$14,701 of net accounts payable initially omitted from the filed schedules, (ii) a -\$12,255 credit memo received from Concur for pre-petition services, (iii) \$0.25M of payments made on prepetition obligations incurred in the ordinary course of business pursuant to the relief granted via the Debtors' various first day orders, (iv) a \$51,127 credit card payment as allowed by court motions, (v) \$70,918 of additional accrued interest since the petition date, (vi) a \$0.72M recognition of unearned revenue for services provided since the petition date, and (vii) a \$25,626 balance sheet accounting adjustment to the value of the convertible debt since the petition date.

IronNet International, LLC

- *Line item "m. Prepetition unsecured debt"* : Comprised of unsecured claims disclosed on Schedule F, adjusted for: (i) a \$8,406 credit memo on a bounced back pre-petition payment, and (ii) a \$0.26M recognition of unearned revenue for services provided since the petition date.

Notes to Part 4:

- Selling expenses are reported together with General and administrative expenses, as the Company does not maintain Selling expenses as a separate financial reporting line item.
- Nonbankruptcy professional fees are included in line item "*e. General and administrative expenses*".

Notes to Part 5:

- The Debtors will pay retained professionals in accordance with the ORDER AUTHORIZING THE DEBTORS TO RETAIN, EMPLOY, AND COMPENSATE CERTAIN PROFESSIONALS UTILIZED BY THE DEBTORS IN THE ORDINARY COURSE OF BUSINESS.

Notes to Part 7:

- Pursuant to the relief granted via the Debtors' various final first day orders, the Debtors have made payments on prepetition debts as they come due in the ordinary course. Please refer to the "**Notes to Part 2**" section above for additional detail.

FORM 11-MOR
ATTACHMENT 1: STATEMENT OF CASH
RECEIPTS & DISBURSEMENTS

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

INITIAL MONTHLY OPERATING REPORT

IN RE: IRONNET, INC. (23-11710)

Other Cases being jointly administered:
IRONNET CYBERSECURITY, INC. (23-11711)
IRONNET INTERNATIONAL, LLC (23-11712)
IRONCAD, LLC (23-11713)
HIGHDEGREE, LLC (23-11714)

Reporting Period:
October 13, 2023 - October 31, 2023

SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS

	Combined	23-11710	23-11711	23-11712	23-11713	23-11714
	Combined Debtor Entities	IronNet, Inc	IronNet Cybersecurity, Inc.	IronNet International, LLC	IronCAD, LLC	HighDegree, LLC
In US \$ Unless Otherwise Indicated						
Cash, Beginning of Period ⁽¹⁾	\$1,729,769	\$0	\$1,729,756	\$13	\$0	\$0
<u>Receipts</u> ⁽²⁾						
Interest Income	27	-	27	-	-	-
Reimbursements ⁽³⁾	33,043	-	33,043	-	-	-
Total Receipts	\$33,070	\$0	\$33,070	\$0	\$0	\$0
<u>Disbursements</u> ⁽²⁾						
Vendor Payments	(846,101)	-	(846,101)	-	-	-
Payroll & Benefits	(228,993)	-	(228,993)	-	-	-
International Payroll ⁽⁴⁾	(77,406)	-	(77,406)	-	-	-
Insurance	(20,773)	-	(20,773)	-	-	-
Professional Fees	(7,873)	-	(7,873)	-	-	-
Credit Card Payment	(51,147)	-	(51,147)	-	-	-
Bank Fees	(1,813)	-	(1,781)	(32)	-	-
Total Disbursements	(1,234,106)	\$0	(\$1,234,074)	(\$32)	\$0	\$0
Intercompany Transfers	-	-	(50)	50	-	-
Net Cash Flow	(\$1,201,035)	\$0	(\$1,201,053)	\$18	\$0	\$0
Cash, End of Month	\$528,734	\$0	\$528,702	\$31	\$0	\$0

(1) Adjusted to reflect a timing difference of -\$498,040.14 between two intra-company bank accounts. A credit was recorded in the SVB Operating Account on 10/12, but the debit in the corresponding SVB Sweep Account was recorded on 10/13.

(2) Excludes transfers between accounts.

(3) Includes a \$29,544 return for a wire sent pre petition to pre-fund the Japan entity. Also includes a \$3,498 AWS reimbursement for the Sea-Air-Space event.

(4) Includes payments for international payroll, compliance and administration services.

FORM 11-MOR
ATTACHMENT 2: BALANCE SHEET

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

INITIAL MONTHLY OPERATING REPORT

IN RE: IRONNET, INC. (23-11710)

Other Cases being jointly administered:
IRONNET CYBERSECURITY, INC. (23-11711)
IRONNET INTERNATIONAL, LLC (23-11712)
IRONCAD, LLC (23-11713)
HIGHDEGREE, LLC (23-11714)

Reporting Period:
October 13, 2023 - October 31, 2023

BALANCE SHEET

	Combined	23-11710	23-11711	23-11712	23-11713	23-11714
	Combined Debtor Entities	IronNet, Inc	IronNet Cybersecurity, Inc.	IronNet International, LLC	IronCAD, LLC	HighDegree, LLC
<i>In US \$ Unless Otherwise Indicated</i>						
ASSETS						
Current Assets						
Cash and Cash Equivalents	528,734	-	528,703	31	-	-
Trade Receivable, net	407,824	-	147,824	260,000	-	-
Intercompany Receivable	339,172,181	294,494,917	33,305,575	11,371,689	-	-
Inventory, net	300,000	-	249,386	50,614	-	-
Prepaid expenses and other assets	6,285,339	-	4,662,203	1,623,136	-	-
Total Current Assets	\$346,694,078	\$294,494,917	\$38,893,691	\$13,305,470	\$0	\$0
Property, Plant and Equipment, net	4,975,073	-	4,975,073	-	-	-
Security Deposits	138,200	-	138,200	-	-	-
Investment in Subsidiaries	196,981,425	190,709,339	6,014,795	257,290	-	-
ROU Asset Operating Lease	1,562,392	-	1,562,392	-	-	-
Total Assets	\$550,351,167	\$485,204,256	\$51,584,151	\$13,562,760	\$0	\$0
LIABILITIES AND STOCKHOLDERS' EQUITY						
Current Liabilities - Post-Petition						
Accounts Payable ⁽¹⁾	978,251	-	755,268	222,984	-	-
Unbilled Payables ⁽²⁾	632,436	-	632,436	-	-	-
Total Current Liabilities	1,610,687	\$0	\$1,387,703	\$222,984	\$0	\$0
Secured Debt - Prepetition ⁽³⁾⁽⁴⁾	26,986,938	-	26,986,938	-	-	-
Priority Debt - Prepetition	291,810	29,891	261,919	-	-	-
Unsecured Debt - Prepetition ⁽⁵⁾	378,762,099	764,371	365,853,033	10,471,518	508	1,672,670
Liabilities Subject to Compromise ⁽⁶⁾	4,864,626	(41,648)	4,906,274	-	-	-
Total Liabilities	\$412,516,159	\$752,614	\$399,395,867	\$10,694,501	\$508	\$1,672,670
Stockholders' (Deficiency) Equity	137,835,009	484,451,642	(347,811,715)	2,868,259	(508)	(1,672,670)
Total Liabilities and Stockholders' Equity	\$550,351,168	\$485,204,256	\$51,584,152	\$13,562,760	\$0	\$0

(1) IronNet Cybersecurity balance sheet includes \$423,431 of Riveron accounting advisory fees and \$61,306 of Arnold & Porter bankruptcy fees omitted from Schedule F. Riveron fees are expected to be waived after the 10/31 period.

(2) Comprised of \$432,859 of AWS fees and \$199,577 of Paul, Weiss, Rifkind, Wharton & Garrison, LLP fees accrued but not yet billed.

(3) IronNet Cybersecurity, Inc. has continued to accrue interest on secured debt. Since the petition date, \$209,024 of additional interest was accrued on the balance sheet.

(4) IronNet Cybersecurity, Inc. includes \$1,500,000 of Codebtor debt listed on Schedule H.

(5) Comprised of unsecured debt listed on Schedule F adjusted for certain omissions, approved payments, accrued interest calculations and other financing adjustments. Please refer to the 'Notes to the Monthly Operating Report and Global Disclaimer' attachment for a breakdown of all adjustments.

(6) Comprised of contingent prepetition liabilities initially excluded from Schedules D, E & F. Please refer to the 'Notes to the Monthly Operating Report and Global Disclaimer' attachment for additional detail.

FORM 11-MOR
ATTACHMENT 3: STATEMENT OF
OPERATIONS

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

INITIAL MONTHLY OPERATING REPORT

IN RE: IRONNET, INC. (23-11710)

Other Cases being jointly administered:
IRONNET CYBERSECURITY, INC. (23-11711)
IRONNET INTERNATIONAL, LLC (23-11712)
IRONCAD, LLC (23-11713)
HIGHDEGREE, LLC (23-11714)

Reporting Period:
October 13, 2023 - October 31, 2023

STATEMENT OF OEPRATIONS

	Combined	23-11710	23-11711	23-11712	23-11713	23-11714
	Combined Debtor Entities	IronNet, Inc	IronNet Cybersecurity, Inc.	IronNet International, LLC	IronCAD, LLC	HighDegree, LLC
<i>In US \$ Unless Otherwise Indicated</i>						
Software & Maintenance Net Revenue	640,324	-	438,314	202,010	-	-
Hardware Net Revenue	344,366	-	259,334	85,032	-	-
IronRadar Net Revenue	32,737	-	30,421	2,315	-	-
Total Sales	\$1,017,426	\$0	\$728,069	\$289,357	\$0	\$0
Software & Maintenance Cost	460,594	-	248,097	212,497	-	-
Hardware Cost	161,949	-	125,819	36,130	-	-
IronRadar Cost	3,897	-	3,897	-	-	-
COGS	\$626,439	\$0	\$377,813	\$248,627	\$0	\$0
Gross Profit	\$390,987	\$0	\$350,256	\$40,730	\$0	\$0
Selling, General & Administrative Expenses	940,665	11,858	906,694	22,113	-	-
Professional Fees - Nonbankruptcy	32,699	-	27,095	5,604	-	-
Depreciation & Amortization	98,685	-	98,685	-	-	-
Other Operating Expenses	3,472	-	3,440	32	-	-
Operating Income	(\$684,534)	(\$11,858)	(\$685,658)	\$12,982	\$0	\$0
Interest Expense, net	249,313	-	249,313	-	-	-
Professional Fees - Bankruptcy	207,450	-	207,450	-	-	-
Gain / (Loss) Before Income Taxes	(\$1,141,298)	(\$11,858)	(\$1,142,421)	\$12,982	\$0	\$0
Provision for income taxes	-	-	-	-	-	-
Net Income / (Loss)	(\$1,141,298)	(\$11,858)	(\$1,142,421)	\$12,982	\$0	\$0

FORM 11-MOR
ATTACHMENT 4: LISTING OF BANK
ACCOUNTS

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

INITIAL MONTHLY OPERATING REPORT

IN RE: IRONNET, INC. (23-11710)

Other Cases being jointly administered:
IRONNET CYBERSECURITY, INC. (23-11711)
IRONNET INTERNATIONAL, LLC (23-11712)
IRONCAD, LLC (23-11713)
HIGHDEGREE, LLC (23-11714)

Reporting Period:
October 13, 2023 - October 31, 2023

LISTING OF BANK ACCOUNTS

Account Number	Bank	Ending Balance (10/31/2023)	Status
<u>IronNet Cybersecurity, Inc: 23-11711</u>			
xx-xxxx-3825	PNC	\$581.93	
xx-xxxx-1518	PNC	\$64.73	
xx-xxxx-2376	SVB	\$0.00	
xx-xxxx-2380	SVB	\$0.00	
xx-xxxx-1226	SVB	\$0.00	
xx-xxxx-4080	SVB	\$523,595.64	
xx-xx1606	SVB	\$5,850.96	Investment Account
xxxx-4313	Citi	(\$1,390.29)	
xx-xxxx-4152	Bank	-	Closed
Total		\$528,703	
<u>IronNet International, LLC: 23-11712</u>			
xx-xxxx-8761	SVB	\$31.47	
Combined Total		\$528,734	